Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Application of Ameritech Michigan Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Michigan	)	CC Docket No. 97-137

Reply Affidavit of Daniel J. Kocher on Behalf of Ameritech Michigan

providing an analysis of the above. The performance group within AIIS is responsible for identifying and pulling together the information a CLEC may request. Also, if a CLEC wants something else more specific, it can tell AIIS what it is looking for, and AIIS will determine if it is possible to provide. There may be additional fees depending upon the specifics of their request.

59. Integrating Loops into Line-Side Ports. MCI questions how its loops "will be integrated into the line side of Ameritech's ULS." (Sanborn Aff., ¶ 75.) The answer is clear. If a CLEC orders stand-alone ULS, it is presumed that the CLEC will provide the local loops and interoffice transport to integrate ULS into its network. Collocation would typically be used in this situation. Alternatively, where ULS is ordered as part of a network element combination, Ameritech would connect the unbundled local loop to the unbundled local switching line side port.

III. Local Transport and the "Common Transport" Issues

A. Common Transport is not a Checklist Item

60. One of the issues raised in this proceeding — though it more properly should be resolved in the pending motion for classification in the Commission's Interconnection Order — is whether "common transport" is the kind of "local transport" required by item (v) of the checklist. The Commission's rules define "dedicated transport" as:

> incumbent LEC transmission facilities dedicated to a particular customer or carrier...that provide telecommunications between wire centers owned by incumbent LECs or requesting telecommunications

> carriers, or between switches owned by the incumbent LECs or requesting telecommunications carriers.

47 C.F.R. § 519(d)(1). The same Commission rule defined "shared transport" as:

> incumbent LEC transmission facilities...shared by more than one customer or carrier, that provide telecommunications between wire centers owned by incumbent LECs or requesting telecommunications carriers, or between switches owned by the incumbent LECs or requesting telecommunications carriers.

61. By contrast, "common transport" services, as defined by Ameritech's competitors, utilize Ameritech's existing end office and tandem switches, in conjunction with existing interoffice transmission facilities, to furnish ubiquitous connectivity between central office switches to carry the calls of end users and carriers. This allows for the handling of calls between any two points on Ameritech's public switched network or an undifferentiated basis from other traffic on that network.

62. Mr. Edwards presents Ameritech's position why "common transport" is not a network element, and therefore cannot be required by the competitive checklist. I will address several technical reasons why such common transport is not a network element or a combination of elements, but is rather a resold switched or access service. "Common transport" services are inextricably intertwined with switching. It is the switching that enables the interoffice trunks to be used in "common" — meaning the ability to provide, over the same trunks, a variety of local, toll and access services between any point on Ameritech's network. As such, "common transport" is indistinguishable from existing services offered by Ameritech, like wholesale usage and carrier access.

63. Because of this link to switching, "common transport" is a switched transport service that allows calls to be routed between any two points on Ameritech's network. By

contrast, shared transport is a network element, unbundled from switching, comprised of a physical transmission facility (e.g., a trunk) between two specific points (i.e., two switches or two wire centers) that are "shared" or used by two or more carriers.

64. The "transport" associated with "common transport" services cannot be unbundled from switching and still function. Therefore, by definition, it cannot be the unbundled transport required by the competitive checklist. Transport facilities are, by their very nature, dedicated transmission capabilities between two points. It is the switching that allows a given transport facility to be used as "common transport" — that is, to carry a local call one minute, a toll call the next minute, and an access call to a long distance provider the minute after that, to and from any point in Ameritech's public switched network. The interoffice transport facility itself (i.e, the DS1s) only transports the digital bits, ones and zeros, between two specific switches. Even when the facility is not being used at given moment, a special data pattern is transmitted to maintain synchronization so the transmission facility is always carrying data. By its very nature, then, switching functionality is part and parcel of common transport services. Indeed, MCI admitted this in Ameritech Illinois' Section 271 compliance proceeding before the Illinois Commerce Commission ("ICC"):

> "All Mr. Kocher argues is that common transport itself cannot be unbundled in its constituent components. The issue of unbundling common transport into its constituent components, however, is not the request before the [ICC]. The issue before the [ICC] is whether Ameritech should offer common transport in conjunction with ULS in order to satisfy the competitive checklist . . . ." MCI Ex. 3.0, pp. 10-11, submitted in Ill. C.C., No. 96-0404 (attached hereto as Attachment 20).

65. AT&T alleges that its request for "common transport" differs from the network usage service that Ameritech provides in its exchange and access tariffs. (Falcone/Sherry Aff., ¶¶ 50-51, 60-63.) This contention is undermined by AT&T's

contention that there is no need for AT&T to identify or provide a forecast of the points of interconnection, the quantity of transport desired or, for that matter, even define the locations involved. For instance, in what it characterized as its order for shared (meaning common) transport, AT&T identified the "State of Michigan" as the area in which the service was requested. (Attachment 21) While Ameritech, in cooperation with the other incumbent LECs, does provide transport service throughout the state, to classify the totality of that service as a network element is absurd.

66. AT&T also alleges that other unbundled network elements, such as SS7, provide both dynamic switching of common ports and transport as part of the same network element. (Falcone/Sherry Aff., ¶¶ 56-59.) This is not the case. Ameritech's unbundled SS7 network elements employ the same structures as does its unbundled local switching and local transport network elements. The SS7 network element is basically a specialized form of unbundled switching. The element contains rates for unbundled ports as a monthly recurring charge, and a usage rate is applied for use of the SS7 STP to connect two unbundled ports together. Like unbundled switching, an unbundled SS7 port has access to the wholesale SS7 services provided under the access tariff. In fact, the Commission, in its Access Charge Reform Order (¶ 253), recently endorsed as national policy Ameritech's methodology of separating SS7 switching from transport.

67. The heart of the dispute over "common transport" is not whether Ameritech is withholding any functionalities or capability from potential competitors, for Ameritech is not. Rather, this debate centers upon the proper price for the use for Ameritech's ubiquitous public switched network. IXCs already make extensive use of Ameritech's network using

tariffed access services, the per-minute-of-use rates for which have been sharply reduced as a result of the Commission's recent actions in Access Charge Reform dockets. By insisting that "common transport" should be defined as a network element, the IXCs seek to prevent the entry of Ameritech as a long distance competitor unless and until Ameritech is forced to provide additional access charge discounts not authorized in either the Interconnection Order or the Access Charge Reform orders.

68. That the IXCs' "platform" (simply a combination of an unbundled loop, ULS and common transport) and "common transport" requests do nothing more than seek resale services at TELRIC rates is confirmed by Exhibit 11 of LCI's pleading (May 22, 1997 letter), where Anne Bingaman admitted that:

> "LCI would rely on pre-existing algorithms in the switch for call routing of local and interexchange traffic. LCI would share with Ameritech and other ULS purchasers the existing trunk ports for the purposes of routing local calls and originating and terminating toll calls. Local calls to and from LCI's local customers routed over shared trunk ports (from the ULS purchaser's perspective) onto existing interoffice network, pursuant to the existing routing instructions in the switch."

And in Ameritech Illinois' Section 271 compliance proceeding before the ICC, MCI in effect acknowledged the same thing: MCI believes that under its view of common transport (which is an essential part of the "platform" sought by Ameritech's competitors), carriers should be permitted "to terminate traffic throughout Ameritech Illinois' network without having to previously specify or designate the point of termination . . . on a call-by-call basis." (Attachment 20, p. 7 (emphasis in original).) That is resale of Ameritech's existing network usage service. In short, the service provided would be in every way identical to the exchange and exchange access services provided by Ameritech today. The only difference is

that, under "common transport," Ameritech would be receiving compensation at TELRIC-based prices, instead of the proper wholesale and access rates authorized by the Act.

69. Although competitors' arguments are baseless and aimed only at gaming the Act's pricing rules, the fact is that this issue should not be resolved here – as "common transport" service clearly is not a checklist requirement (it does not unbundle switching from transport) – but rather in the Commission's pending proceeding in CC Docket 96-98, where the Commission has held numerous discussions and meetings regarding the "common transport" issue with interested parties. A complete set of Ameritech's ex partes, some of which I helped to prepare and present, is included with Mr. Edwards' reply affidavit.

B. Access Charges in a "Common Transport" Environment

70. I described above how ULS purchasers that obtain dedicated trunk ports may bill for access charges, and obtain the information necessary to do so from Ameritech Michigan. In the event that the Commission orders incumbent LECs to provide "common transport," and determines that ULS purchasers may collect access revenues even if they purchase common transport and "common" trunk ports, Ameritech will comply as follows.

71. It is Ameritech's position that a ULS customer is not permitted to bill for access provided over Ameritech's network. On the other hand, calls placed over the CLEC's transport trunks in conjunction with ULS should be billed by the CLEC, not Ameritech. However, if the Commission were to reject Ameritech's position on this issue, Ameritech currently has the technical capability to measure originating access usage associated with common transport, and hence will provide such usage information to ULS-common transport

purchasers. As part of the Daily Usage File for the ULS network element, which is also a component of the Network Platform, Ameritech currently provides in Expanded Message Record (EMR) format a detailed record of every completed call made. For calls originating from ULS or a "platform" to a long distance company, a category 31 record is provided today. AT&T has requested, and Ameritech is currently investigating, the potential for providing a category 11 record, which contains the information in a slightly different format. Thus, the ULS or platform customer can be provided a record of originating access today, whether or not the access service is provided over their own network or via Ameritech's Feature Group D service.

72. In the terminating direction, Ameritech is prepared to provide terminating access measurement for incoming calls on trunk ports purchased by the CLEC. This is provided via a category 11 record in the same EMR format as originating usage. A CLEC would thus be able to bill access on long distance calls placed to its ULS line ports over access services that it provides.

73. On the other hand, the technical capability does not exist in today's switches to provide terminating call detail i.e., develop a record of every call made to a given ULS or platform line port. As a general principle, telephone networks are designed to record a call at the point the call enters the network. Thus a terminating access call entering Ameritech's network at the access tandem is recorded at the trunk port where the call enters the tandem. The tandem has no way of knowing, when it records a call, that the ultimate destination of the call is an unbundled ULS or platform line port. Similarly, an end office originating a local call to an end office has no indication whether or not the destination number is a ULS

or platform line port or a regular telephone line. Even on an intraswitch call, the switch has no way of determining or recording the fact that the destination address is an unbundled line port.

74. AT&T and several other parties complain that Ameritech will not provide them the information they need to bill access charges and recover reciprocal compensation in cases where the platform traffic is routed through Ameritech's common transport service to or from a CLEC's customer being served through the "platform." (AT&T Br., pp. 13-14; CompTel Br., pp. 18-19.) In this regard, they define the "platform" as the combination of an unbundled loop, ULS, and common transport. The concern is that if Ameritech provides this form of the platform, the CLEC will not be compensated for traffic that is routed to or from its platform local customers.

75. I would first like to reiterate that for traffic originating through this platform, Ameritech can provide CLECs, through a daily usage feed, all the data they need to bill access charges to the interexchange carrier who receives the call. The information that will be provided includes the line originating the call, the duration of the call and the interexchange carrier that carried it.

76. Regarding terminating traffic, AT&T and the other parties claim that whenever a ULS line port is purchased and used to terminate any calls (local, toll or access), they are entitled to recover either reciprocal compensation or access charges for that use. It is unclear whether the access charges that the "platform" purchasers would like to bill include just the switching-related access charges, or both switching and transport-related access charges — even if the call uses existing feature group D (FG-D) access services. AT&T

appears to be satisfied with assessing switching-related charges (AT&T Br., p. 13), while MCI has apparently taken the position it is entitled to all the access charges. (Attachment 22, pp. 5-7.) Regardless of the scope of their demand, these carriers correctly point out that in order for them to bill as they desire, they must depend on the incumbent LEC to provide from its local switch the billing detail they need to render those bills. However, as AT&T has recently and candidly acknowledged, there are at least three existing network-related problems that make it technically infeasible for a LEC's local switch to provide the identity of the carrier that originated the call, and to associate the call with the called number.

77. In a letter written to Ameritech on June 20, 1997 (Attachment 23), Mr. Bennett of AT&T stated that:

> "[U]ntil now, there was no need for the ILEC to generate bills to the IXCs based on line numbers and thus capability does not currently exist for the ILEC to attribute the IXC usage to the proper CLEC based on the terminating line number. Until the ILEC develops the software necessary to properly attribute this usage, an interim measure to estimate the CLEC terminating usage based upon factors applied to the originating IXC usage is reasonable.
>
> * * *
>
> Currently the ILEC cannot record the terminating non-IXC usage in its switches. They can, however, record originating minutes.
>
> * * *
>
> Until the industry evolves to a point that each CLEC is assigned a carrier identification code and these codes are passed through the network and recorded at the terminating switch (similar to how IXCs operate), local toll access and reciprocal compensation (if bill and keep arrangements are not in place) will have to be estimated based upon factors" (emphasis added).

78. In other words, Mr. Bennett concedes that the billing of access charges and reciprocal compensation under AT&T's view of the platform and common transport is not

technically feasible because the network cannot sort that information to the terminating line in local switches. Mr. Bennett also concedes that the local carrier identification codes necessary for passing the required information on local calls also does not yet exist and must be developed at the national level. I note that Mr. Bennett's letter — which states that an interim "rough justice" method would be "reasonable" until "the industry" develops a long-term solution — stands in marked contrast to the unreasonable position taken in AT&T's lawyerly affidavit (Falcone/Gerson Aff., ¶39), which argues that the current lack of a long-term solution is somehow Ameritech's fault and should keep Ameritech out of long distance.

79. Mr. Bennett is correct that all the local switches used by incumbent LECs today do not have the capability to record the carrier that originated a call terminated to any line, including those of CLECs. But, I would like to add to Mr. Bennett's analysis. First, the software necessary to attribute terminating calls at the local switch is not likely to be designed and developed until national standards bodies first develop the appropriate local carrier identification codes and the associated standards to implement this process. Second, as I explained in my initial affidavit, local switches are today provided to LECs by switch vendors that control the software in their switches. Thus, development of the software necessary for CLECs to bill for terminating calls is not within the direct control of the incumbent LECs, but must be developed by the switch vendors involved.

80. Until the obligation to provide this data is resolved, and national standards developed, Ameritech is not inclined to undertake the re-engineering and modification of its network to provide terminating detail. It must be noted that this task will require far more than trivial or minor changes in network design or billing capabilities. If that were the case,

a CLEC would simply ask that these capabilities be added to the ULS network element pursuant to a BFR. However, these changes might entail expenditures of 100 million dollars or more, and prudent financial planning would preclude implementation without some certainty that development costs are likely to be recovered.

81. For these reasons, if incumbent LECs are ordered to develop the "platform," including common transport, as defined by AT&T and other interexchange carriers, then CLECs utilizing the platform will have to be compensated for terminating access based upon some combination of factors or separations processes. The compensation could be in the form of direct payments by the incumbent LECs to the CLECs, a reduction in charges or a bill credit. That is, as AT&T's Mr. Bennett dubbed it, a "rough justice" approach. In this regard, as described in my initial affidavit (Kocher Aff., ¶¶ 75-77), Ameritech has developed proposals that could perform this function. (AT&T's June 20 proposal to Ameritech is included in Attachment 23.) While these proposals are preliminary, and their final terms will depend on the specifics of any requirement to provide "common transport" as a network element, they clearly demonstrate that such an approach is feasible. Further, although Ameritech only just received Mr. Bennett's proposal and is still analyzing it, Ameritech has determined that, if necessary, it could implement the proposal in time to be incorporated into Phase 2 of the platform trial with AT&T.

82. While not conceding the "common transport" argument, I believe that a rough justice-type transitional terminating traffic compensation mechanism implementing the specifics of any ruling requiring the "platform" would be quickly implementable, and can be used until more precise measurement and accurate recording capabilities are developed. In

this regard, AT&T's proposal is a considerably more complex approach than the one I outlined in my initial affidavit, and appears to be based upon some assumptions that do not comport to actual experience. For example, it assumes that terminating traffic on a line will equal originating traffic. While it is true that, on the network as a whole, terminating traffic must equal originating traffic, there is no correlation between originating and terminating calls on individual lines. Thus, use of the AT&T proposal would eventfully lead to dislocations due to the mismatch between terminating traffic and corresponding compensation levels. As a result, Ameritech and AT&T are seeking to work these "bugs" out, but if necessary Ameritech could use the AT&T proposal as an interim measure until a more accurate measure is developed.

83. It is my understanding that Bell Atlantic has been working over the past few months on an interim approach to identify terminating access billing. This process, which has not yet been implemented, would handle only a portion (typically less than 25%) of the total terminating calls. Reportedly, Bell Atlantic's capability is based on its proprietary SS7 architecture and extensive reprogramming of the access billing system and is unique to Bell Atlantic's network. As I understand it, the calls to an unbundled line port activate an AIN trigger, which results in generation of a unique AMA-like record which either cancels out or replaces the normal access billing record. Subsequent processing of this record allows for either the suppression of access billing or the creation of access credits to the IXC that would normally be billed for the call. Thus, the Bell Atlantic approach creates in real time an access call record that both Mr. Bennett and I have proposed to estimate using terminating/originating ratios in a "rough justice" approach.

84. To the best of my knowledge and belief, Ameritech's network is not capable of implementing an AIN approach similar to that used by Bell Atlantic. Bell Atlantic has deployed a different SS7 architecture than Ameritech, and substantial network investment and revisions to Ameritech's OSS would be required before it could replicate Bell Atlantic's capabilities. As I indicated earlier, even if it could replicate Bell Atlantic's approach, it would not address the majority of the terminating traffic (whether local or toll calls). If the common transport issue is decided in favor of the IXCs, the cost and time to develop such an interim system would have to be compared to the cost and time of developing a more complete solution.

IV. Operational Readiness to Provide Network Platform and Network Combination and Retroactive True-up Mechanisms

A. The "Network Platform"

85. The question of whether CLECs may order the network element "platform" described by AT&T (at TELRIC prices) depends entirely upon the resolution of the common transport issue. Indeed, as I just explained, the "platform," if ordered with common transport, is functionally identical to Ameritech's resale and access services.

86. Because the "platform" with common transport is identical for all relevant operational and functional purposes to resale, the important fact here is that Ameritech can easily furnish such a "platform" if and when it is ordered. The only true issues here concern whether Ameritech has in place the systems (a) to handle orders for the platform; (b) to provide the CLEC with the Daily Usage File so that it may bill its own customers; (c) to

provide the CLEC with the information necessary to bill access charges to toll carriers; and (d) to bill the CLEC for use of Ameritech's network elements.

87. It is for this reason that Ameritech agreed to conduct a "platform" trial with AT&T. I discussed this trial in my earlier affidavit (¶¶ 71-74). Ameritech also is engaged in a trial with MCI. Because of concerns regarding each carrier's proprietary information, Ameritech conducted independent discussions with AT&T and MCI, although I understand that LCI was invited by both AT&T and Ameritech to monitor the AT&T/Ameritech trial. To summarize, both the AT&T and MCI trials confirm that the platform can be successfully ordered and provisioned, and that Ameritech can provide the daily use billing records.

B. The AT&T Network Platform Trial

88. As I explained in my earlier affidavit (¶¶ 71-74), Ameritech and AT&T, under the auspices of the U.S. Department of Justice ("DOJ"), have been engaged in a trial of the network platform arrangements described above. The initial trial has been successfully completed, and the parties are still in the process of defining the parameters for a subsequent trial.

89. Before getting into specifics, I would like to emphasize that the purpose of any test or trial is to gain experience and "de-bug" the systems being tested. The fact that errors arise during a trial is expected, and does not mean that the service cannot be furnished. The relevant question is not whether errors arose, but rather whether the trial permitted the parties to identify and correct those errors. That, indeed, is what happened during the initial phase of the AT&T/Ameritech "platform" test; the parties gained experience from the first

batch of orders (Round A), and accordingly were able to complete the second batch of orders (Round B) almost flawlessly.

90. Results of the Initial Trial. As I noted above, the initial phase of the trial was, by all relevant measures, a success. Overall, the trial demonstrated that from an operational perspective, if required, the "platform" can be successfully ordered and provisioned, and that billing information can be provided to AT&T. I have attached (Attachment 24) a copy of the summary of the results of the initial trial. This summary was prepared by Ameritech and presented to AT&T at a meeting on July 1, 1997, discussing the test results. By way of comparison, I have attached as Attachment 25 the summary of the trial results prepared by AT&T, which attempts to show the same results in a negative light. At the July 1st meeting, Ameritech and AT&T agreed to ask their subject matter experts to attempt to merge the reports.

91. Based upon my training as an engineer and my experience with conducting numerous tests with Ameritech, I am of the opinion that by any reasonable engineering criteria, the trial was a success. Nothing presented by AT&T's summary in any way changes my opinion.

92. Phase 1 of the trial was conducted in two rounds, A & B. Round A initialized the platform and allowed the parties to identify and correct any anomalies. Round B modified the line configurations and confirmed that most of the anomalies identified in Round A had in fact been corrected and that the service operated and performed as designed. As I will demonstrate, Round A confirmed that in the vast majority of cases, the service performed perfectly, but that a few malfunctions (less than 6% of the test calls) occurred.

During Round B, the malfunctions identified in Round A were re-tested. With the exception of a single error in one line class code ("LCC") translation and an input error in which a "1" was inserted before a 7-digit telephone number, the platform functioned properly in Round B. These remaining errors in Round B have since been analyzed through a root cause analysis, and Ameritech has determined that they can be easily corrected. The test results are as follows:

1. Call Completion

   Round A -- 548 of 580 test calls of various types were competed successfully.

   Round B -- 181 out of 184 calls were successfully completed, but one call failed to properly complete due to the LCC problem mentioned above, and two calls failed due to the import error occurring at the Recent Change Memory Administration Center (RCMACf).

2. Line Tests

   Round A -- 12 of 19 lines performed completely as expected, while the other 7 were partially successful.

   Round B -- 18 of 20 lines performed completely as expected, while the other 2 were partially successful for the same reason the three calls in Item 1 did not properly complete.

3. Line Class Codes

   Round A -- 2 of 8 LCCs used to perform custom routing were completely successful, while 6 were partially successful.

   Round B -- 7 of 8 LCCs were fully successful and 1 was partially successful. This single LCC caused to the problem on one call mentioned in Items 1 and 2 above.

4. EDI Order Transaction

Round A -- Receipt and tracking of transactions was inconclusive.

Round B -- Receipt and tracking was as expected.

5. Categories of Calls

Round A -- 4 of 10 categories of call types (for example local, toll and 800) were completely successful, and the remaining 6 categories were partially successful.

Round B -- 8 of 10 call categories were completely successful, and two categories were partially successful. One problem related to international calls, and resulted from the error in the LCC error described in Item 3, while the other related to the RCMAC problem described in Item 1.

93. In addition, after some initial delays and mistakes on AT&T's part, the trial confirmed that Ameritech can in fact accept and provision orders for the platform. I will discuss these delays in detail below. With the exception of providing the exact data for AT&T to bill its access charges on terminating calls entering Ameritech switch on its common trunk ports, Ameritech can provide the billing information needed by CLECs to bill the service. Directory Assistance calls and calls aided on a 1+NPA+555 basis were not a part of the test because Ameritech's switches do not have the capability of providing this function in the manner designed by AT&T.

94. In reviewing the test results, it is important to determine if the LCC anomaly that caused one call to fail during Round B means that Ameritech cannot successfully provide the platform. The answer is no; rather, the trial demonstrates that the "platform" is fully operational. The other two calls failed due to the RCMAC input error. Analysis of these remaining problems indicates that a minor deficiency in the methods and procedures used by

the technician creating the LCC translations caused the LCC problem, which can easily be corrected, and the RCMAC problem can be corrected through a software revision. To conclude that the platform is a failure based upon one problem would be to blow these minor problems completely out of proportion, and to ignore the fact that none of the other lines in Round B experienced any problems.

95. In spite of the success of the trial, a number of parties, including AT&T, claim that it is insufficient to prove that the service can actually be provided. (Falcone/Gerson Aff., ¶¶ 21-26.) However, these parties ignore the fact that the scope of this trial was designed by AT&T and Ameritech under the supervision of the DOJ. It is disingenuous to now say that it is inadequate. Further, from an operational perspective, these claims are not credible. As can be seen by my foregoing description of the test results, AT&T made certain that these tests included every relevant line configuration with custom routing and every conceivable call type. Further, AT&T made certain that Ameritech proved that it could properly accept, confirm and process orders, and provide the billing information that AT&T needed on a daily usage basis. There can be no reasonable doubt that the trial in fact is adequate to show that the service is operational.

96. The Multi-Switch Trial. As I discussed in my previous affidavit, on May 13, Ameritech and AT&T agreed to an additional multi-switch platform trial upon conclusion of the initial trial. Both parties have continued to negotiate the parameters of that trial. AT&T has indicated its intention to evolve these trial efforts into what it describes as a full service readiness test, which is an internal standard AT&T has developed for operationalizing products it offers. As the next step in this process, Ameritech offered to replicate the service

architecture and test configuration in four additional switch types. In addition to the Lucent 5ESS switch which supported the initial trial, AT&T and Ameritech have agreed to test four additional switching vehicles: a Lucent 1AESS, a Nortel DMS100 and DMS10, and a Siemens EWSD. Thus, this test will encompass all the end office switch types currently used in Ameritech's network. Rather than reuse the original Chicago 5ESS office, AT&T selected five offices in Michigan as trial sites.

97. Unlike the initial phase of the trial in which the test lines were installed in AT&T's regional headquarters, it has been agreed that this trial will involve test lines to employee homes. For each office, ten lines will be installed to AT&T employees' homes and ten lines will be installed to Ameritech employees' homes. Both sets of employees will be asked to test the lines using a common test "script" and to log the results of their test calls.

98. Ameritech will provide the network "platform" pursuant to its definition and architecture. Access pre-ordering, ordering, provisioning, maintenance and billing information (daily usage feed) operations support system functions will be provided using Ameritech's production systems. AT&T has indicated that it will continue to use a prototype ordering system as it did during the first trial. Ameritech will render a bill for the unbundled network elements and wholesale usage consistent with its definition of the network platform.

99. In addition, for the purpose of demonstrating its ability to implement a "rough justice" approach which I discussed previously, Ameritech has agreed to render a second bill to AT&T for the 100 lines involved in this trial. This bill will be rendered using an

illustrative rate structure developed by AT&T. It was Ameritech's understanding at a May 13, 1997 meeting hosted by the DOJ in Washington that Ameritech was to use the rate structure consistent with call flows that had been provided by AT&T on April 21. (Attachment 26). However, the following day, AT&T's Chief Regulatory Counsel, William A. Davis II, forwarded a different call flow description for implementation by Ameritech. (Attachment 27).

100. At a meeting held at AT&T's offices on May 30, 1997, to review the document sent by Mr. Davis, AT&T indicated that it had decided to further revise the rate structure further and provided those revisions as part of its presentation. At that time, Ameritech raised a number of questions regarding how AT&T's rate structure could be implemented — questions that AT&T was not able to answer. The following week, during a conference call held on June 9, 1997, another modification of these call flows was announced by AT&T's experts. AT&T met again with Ameritech on June 16, 1997 to review its latest modification. Because it is not technically feasible to implement AT&T's desired rate structure (as I previously discussed), a "rough justice" methodology for handling billing must be used until such time as AT&T's long-term solution is available. During our most recent discussion with AT&T held on July 1, 1997, considerable progress on completing the call flows had been made. (Attachment 28). I hope that AT&T will be able to finalize its proposed rate structure at our next meeting. Following that meeting, Ameritech has committed to operationalize the rate structure proposed by AT&T, and provide it to AT&T for its review. Discussion of the format for the second bill would then be possible.

101. In summary, although the development of the multi-switch trial parameters is proceeding slower than expected, progress continues to be made. From a pre-ordering, ordering, provisioning and billing information perspective, the operation will be identical to the Chicago trial, and from an operational perspective Ameritech has been ready to proceed. Although AT&T has indicated that it wishes to utilize both Ameritech's and its own OS/DA services in this phase of the trial, but that is less difficult to implement than the 900 translation approach AT&T requested during the initial test.

102. Delays in the Trial. Given AT&T's unfounded suggestion that Ameritech has caused delay in the platform trial (Falcone/Gerson Aff., ¶ 35), I anticipate that AT&T's reply materials will include a number of complaints regarding Ameritech's conduct during the trial. This requires that I comment upon the source of delay in the initial trial.

103. The initial proposal for a trial was initiated during a conference call held on April 17, 1997, between representatives of Ameritech, AT&T and the DOJ. The broad parameters of simple single switch platform trial were discussed, and the parties agreed to move forward with the proposal. A detailed chronology of the meetings and events associated with the trial is attached as Attachment 29.

104. AT&T Orders Pre-trial Service From Wrong Switches. Ameritech had suggested that the parties use existing lines terminated at its Chicago headquarters for the trial. AT&T declined and said it would order new lines, both for retail and wholesale services, which would be used for the trial. AT&T did not order them until just before the trial and then did not request telephone numbers from the test switch. Just a few days

before the trial was to start, Ameritech had to expedite change orders changing the telephone numbers assigned to the AT&T placed orders.

105. Delayed Beginning. The agreement was to conduct a simple trial that could be concluded quickly. At the April 21 meeting, Ameritech proposed an expedited schedule. AT&T would not commit to an expedited schedule, and instead requested more data and kept attempting to expand both the scope and the scale of the trial. However, AT&T did not have the ability technically to submit the orders in the format they desired. For several weeks, AT&T refused to provide even an estimate of when it would be able to submit the trial orders. Finally, AT&T notified Ameritech that it would be able to submit orders on May 28.

106. Bogus ID. When the agreed-upon date (May 28) for AT&T to send the orders arrived, the orders did not. At this point in time, AT&T was using the EDI interface to send thousands of resale orders each week to Ameritech. AT&T claimed to have sent the trial orders, but no orders were electronically transmitted via the interface. Since communications exchanged using the EDI protocol produce for the sender an acknowledgement message with a unique number identifying the transaction, Ameritech requested that AT&T provide the acknowledgement identifier. AT&T admitted that the messages it purportedly had sent had never been acknowledged by Ameritech's EDI interface. Subsequent investigation with GE Information System ("GEIS"), which supplies the public data network connection used by Ameritech, discovered that attempts to transmit messages had been made under an unauthorized number. Without any advance notification or coordination with Ameritech, AT&T apparently had decided to use a new identifier,

which was viewed by the GEIS network as an unauthorized attempt to gain entrance to Ameritech's interface and therefore blocked. GEIS subsequently notified Ameritech of the attempt of an unauthorized user to access the interface. Ameritech asked AT&T to resubmit the orders using one of its two authorized IDs. AT&T informed Ameritech that it could not do so, since those IDs were being used by AT&T's production systems, and that the orders were being generated by a prototype system operated by an outside firm. Although the GEIS interface could be modified to send the transaction, additional security measures designed to protect AT&T and other users from unauthorized tampering with their customer accounts would still have prevented the orders from successfully being transmitted. Approximately two weeks are required to establish a new trading partner ID with the EDI system.

107. Therefore, on Friday, May 30th, Ameritech's EDI group proposed a plan to get the trial started. Working over the weekend, they developed a program to straddle the interface and change any incoming EDI orders being entered with AT&T's bogus ID to a valid ID associated with the production orders issued by AT&T. Because the EDI messages are sent in both directions, the program would also intercept the EDI responses sent from Ameritech to AT&T and, for all orders entered using the bogus ID, would replace the valid ID with the bogus ID before forwarding the message to AT&T. This software was written, tested and installed over the weekend, and AT&T was notified on Monday, June 2 that it could resubmit its orders.

108. AT&T's Network Interconnect Problems. In addition to the bogus ID problem mentioned above, the orders for the platform were further delayed due to network

interconnection problems between AT&T's EZ Link service and the GEIS network. These problems involved the interLATA services of GEIS and AT&T, and were resolved by them.

109. Change of Location. The original orders were submitted by AT&T for a given location within its building. Although not called for by the test protocol, the subsequent orders specified a different location within the same building. Because the AT&T building is a multi-tenant building, Ameritech was required to dispatch an outside technician to work the orders. AT&T offered no explanation as to why it changed the service location on the orders.

110. AT&T Withheld Critical Information on 900 Translations. AT&T had requested that the trial attempt to utilize a new and untested method for handling directory assistance (DA) calls. Under the standard routing algorithm, calls to 411 or 555-1212 from an unbundled line port could be directed, using custom routing, to a unique trunk group associated with AT&T's DA services. AT&T requested that instead of routing the calls to a DA trunk group, Ameritech translate 411 and 555-1212 calls to a unique 900 number associated with AT&T's DA services. AT&T subject matter experts attending a April 21 meeting assured Ameritech that other LECs had successfully implemented this procedure. Unfortunately, AT&T withheld from Ameritech critical technical details concerning the use of this feature in the 5ESS switch. Ameritech uncovered this problem while testing this configuration in its services integration laboratory in Hoffman Estates, Illinois. Among the dialing plans used in the Chicago area, an end user can dial an area code with the 555-1212 number. For instance, a Chicago user can dial 1+312+555-1212 to reach directory assistance. The problem is that the 5ESS switch is capable of translating only seven of the